

built in the community anyway and that are not going to bring any additional money in. You know, when your local industry and your local retail stores start wanting to use tax increment financing, what good is that to the community? They probably...if there is a market there for their products, they will probably build their stores there anyway, and if they have built their stores there anyway then that money, the increase in the taxes, would have been coming into the local government. Whereas, if they are allowed to use tax increment financing, a portion of that is pure public cost. I hope I have illustrated for you clearly what the first cost of tax increment financing is. But there is a second cost that is also very real although hard to pin down and nebulous. But when many states and many areas of the country start issuing tax exempt bonds and that is what tax increment financing bonds are, tax exempt bonds, then you start flooding the tax exempt bond market with a much much greater supply of bonds. If that supply increases faster than the demand for those bonds, then that means the interest charged to the cities and the political subdivisions on their tax exempt bonds is going to increase in order to encourage people to buy tax exempt bonds. So this is the second way in which every member of your community is going to start paying for tax increment financing. They are going to pay for it by increased bond rates on every other bond issue that the city and the political subdivisions put out that are competitive with these types of bonds. But, of course, none of the local taxpayers...it is hard for them to see that. Another thing that concerns me and I guess I find it kind of ironic really that the business community is so strong on this concept, because I really don't believe the business men are looking at their own long term best interest. Once you have tax increment financing, then you are going to have to convince the local political subdivision city council members that they should issue those bonds on your behalf, and once you do this then the local politicians are going to discover that you really need these bonds to be competitive and they are going to discover that they are going to be able to negotiate about some of the economic decisions that go into the building of these projects, and they are going to start making demands on the business community, and once the competitive need for this type of a financing is established, the business community is not going to have any choice but to accede to these demands. Already that process has started with the Cornhusker project. I really wonder whether in the long run the business community really wants encourage this type of financing. If we are going to have these projects, fine, but let's start